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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

Chapter 11

LEHMAN BROTHERS HOLDINGS INC, et al: **Case No. 08-13555 (JPM)**

Debtors.

**STIPULATION AND AGREEMENT FOR PRESERVATION
OF RIGHTS IN RELATION TO THE DEBTORS' THIRD
AMENDED JOINT CHAPTER 11 PLAN**

Lehman Commercial Paper Inc. (“LCPI”) and its affiliated debtors in the above-referenced chapter 11 cases, as debtors in possession (together, the “Debtors”) and Alfred H. Siegel (the “SunCal Liquidating Trustee”) (together with the Debtors, the “Parties”), in his capacity as the liquidating trustee of the post-confirmation liquidating trust (the “SunCal Liquidating Trust”) in the jointly administered chapter 11 bankruptcy cases of LBREP/L-SunCal Master I LLC, LBREP/L-SunCal McAllister Ranch LLC, LBREP/L-SunCal McSweeny Farms LLC, and LBREP/L-SunCal Summerwind Ranch LLC (collectively, the “SunCal Debtors”), pending in the United States Bankruptcy Court for the Central District of California, Santa Ana Division (the “SunCal Bankruptcy Court”), which cases are being jointly administered under Case Number 08-15588, hereby stipulate and agree as follows:

RECITALS

A. On September 15, 2008 and on various dates thereafter, each of the Debtors filed a voluntary case under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”), which cases are being jointly administered under Case Number 08-13555 (the “Lehman Bankruptcy Cases”). The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

B. On September 10, 2008 and September 11, 2008, involuntary bankruptcy petitions were filed against the SunCal Debtors. On October 30, 2008, the SunCal Bankruptcy Court entered orders for relief in the SunCal Debtors’ bankruptcy cases and an order appointing Alfred H. Siegel, as the chapter 11 trustee.

C. On September 29, 2010, the Bankruptcy Court entered an order approving the Binding Amended and Restated Term Sheet Among LCPI, as Administrative Agent for the 1st Lien Lenders, LCPI as the 2nd Lien Lender, LCPI as the 3rd Lien Lender, the Official Committee of Unsecured Creditors, and the Chapter 11 Trustee (the “Term Sheet”) [08-13555, ECF No. 11683].

D. On January 27, 2011, the SunCal Bankruptcy Court entered an order approving the Term Sheet [08-15588, ECF No. 626].

E. On April 22, 2011, the SunCal Bankruptcy Court entered (i) its Order Confirming the Chapter 11 Trustee’s Second Amended Chapter 11 Plan (Dated April 21, 2011) (the “SunCal Confirmation Order”) [08-15588, ECF No. 767] and (ii) its Order Approving and Authorizing Sale of the Debtors’ Real Property Pursuant to Chapter 11 Trustee’s Second Amended Chapter 11 Plan (Dated April 21, 2011) (the “SunCal Sale Order”) [08-15588, ECF No. 766]. The

SunCal Liquidating Trustee's confirmed Second Amended Chapter 11 Plan (Dated April 21, 2011) [08-15588, ECF No. 763] shall hereafter be referred to as the "SunCal Plan".

F. On September 1, 2011, the Debtors filed the *Third Amended Joint Chapter 11 Plan of Lehman Brothers Holding Inc. and its Affiliated Debtors* (as may be further modified, amended or revised from time to time, the "Plan") and a related disclosure statement (as may be further modified from time to time, the "Disclosure Statement"), and the Bankruptcy Court entered an amended order approving the Disclosure Statement and governing solicitation and voting on the Plan [08-13555, ECF No. 19631].

G. On September 15, 2011, the Bankruptcy Court entered an order [08-13555, ECF No. 20020] granting LCPI's motion to approve that certain Interim Funding Agreement (the "Interim Funding Agreement") among LCPI, the SunCal Liquidating Trustee, Fidelity National Title Insurance Company and First American Title Insurance Company.

H. On October 14, 2011, the SunCal Bankruptcy Court entered an order [08-15588, ECF No. 863] granting the SunCal Liquidating Trustee's motion to approve the Interim Funding Agreement.

AGREEMENT

1. This Stipulation shall become effective upon the execution by each of the Parties.
2. Notwithstanding anything in the Plan or in the order confirming the Plan to the contrary, nothing in the Plan or in the order confirming the Plan shall in any way affect, impair or prejudice the respective rights, benefits and obligations of LCPI, in its individual capacity and as administrative agent for the first-position secured lenders under that certain First Lien Credit Agreement dated January 19, 2006, on the one hand, and the SunCal Liquidating Trustee, the SunCal Liquidating Trust, and the SunCal Debtors' bankruptcy estates, on the other hand, pursuant to or under (i) the SunCal Plan, (ii) any agreements between or among LCPI and the

SunCal Liquidating Trustee, including, but not limited to, the Term Sheet and the Interim Funding Agreement, and/or (iii) the orders of the SunCal Bankruptcy Court, including, but not limited to, the SunCal Confirmation Order and the SunCal Sale Order.

3. Nothing in this Stipulation, express or implied, is intended or shall be construed to confer upon, or to give to, any person other than the Parties hereto, and their respective successors and assigns, any right, remedy or claim under or by reason of this Stipulation; and the provisions contained in this Stipulation are and shall be for the sole and exclusive benefit of the Parties hereto.

4. This Stipulation contains the entire agreement between the Parties as to the terms of the Stipulation and supersedes all prior agreements and undertakings among the Parties relating to the terms of this Stipulation.

5. This Stipulation may not be modified other than by signed writing executed by each of the Parties and delivered to each Party.

6. Each person who executes this Stipulation represents that he or she is duly authorized to do so on behalf of the applicable Party and that each such Party has full knowledge of, and has consented to, this Stipulation.

7. This Stipulation may be executed in multiple counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument, and it shall constitute sufficient proof of this Stipulation to present any copy, copies, or facsimiles signed by the Parties.

8. This Stipulation shall inure to the benefit of, and shall be binding upon, the Parties and their respective successors, assignees, heirs, executors, administrators and liquidators.

9. This Stipulation shall be exclusively governed by and construed and enforced in accordance with the laws of the State of New York, without regard to its conflicts of law principles.

10. The Bankruptcy Court shall have exclusive jurisdiction over any and all disputes arising out of or otherwise relating to the terms of this Stipulation. Should the Bankruptcy Court abstain from exercising its jurisdiction or be found not to have jurisdiction over a matter relating to this Stipulation, such matter shall be adjudicated in either the United States District Court, for the Southern District of New York or a court of competent jurisdiction in the State of New York. Notwithstanding the foregoing, nothing herein shall in any way affect the jurisdiction of the SunCal Bankruptcy Court including over any and all disputes concerning its orders, the SunCal Plan, and any agreement, contract, document or instrument (including, but not limited to, the Term Sheet and the Interim Funding Agreement).

/s/ Alfredo R. Pérez
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Dated: November 4, 2011

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Dated: November 4, 2011